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STPDTS

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SUBJECT: SPAIN/ETA: RUPTURE OF ETA CEASEFIRE BECOMES

POLITICAL FOOTBALL

REF: A. MADRID 1078

*B. MADRID 432

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- 11. (SBU) Even as Spain braces for a new round of attacks in the wake of the Basque terrorist group ETA's June 6 decision to break its 15-month ceasefire (REFTEL A), Spanish government officials and opposition leaders have traded barbs and blamed each other for the breakdown in the peace process. President Zapatero on June 6 appealed to the opposition Popular Party (PP) to put aside political differences and "lend a hand" to the government in the fight against ETA. Zapatero called for unity among political parties, but said that regardless of the PP,s actions, his government will act with "strength and intelligence" to counter the Basque terrorists. Zapatero chided the PP for "criticizing the government above all else." Jose Blanco, Secretary General of Zapatero's Socialist Party (PSOE), accused the PP of being "irresponsible and disloyal." PSOE officials say that on the issue of fighting ETA terrorism, they remained loyal to the former PP government of President Aznar (1996-2004), and that the current PP opposition should do the same.
- 12. (SBU) The PP for its part has demanded that Zapatero "rectify" his counterterrorism policies and return to the Anti-terrorist Pact that in the year 2000 laid out a common strategy between Spain's two main political parties to fight ETA. PP leader Mariano Rajoy said that Zapatero's public statements made in the hours after the ETA announcement were "not clear and not enough." PP leaders (and many Spanish pundits) believe that Zapatero's initial declarations were soft and focused more on his fight to achieve peace, without once mentioning his intention to defeat ETA. Zapatero's opponents believe that he is refusing to rule out any chance of future peace negotiations with the terrorist group because he is a true believer in the process who has invested so much political capital in it.

//What Might ETA Do?//

13. (SBU) Our contacts in the Spanish security forces say that ETA is preparing to commit a significant terrorist attack in the very near future, and Madrid could be the target. Additional targets on ETA's list appear to be heavily-touristed areas along the Mediterranean coast (Valencia is a name that has appeared in the press). Some ETA watchers believe that the group will launch a series of terrorist attacks without causing victims to pressure the Zapatero government to address its key demands, but without crippling Zapatero before national elections which must take place by March 2008. There is disagreement in Spain over

whether ETA prefers a Socialist government in power to better the chances of its goals being met, or whether ETA does not distinguish between either main political party when it comes to achieving Basque independence. According to Spanish security forces quoted in the press, ETA currently has about 100 active members, four operational commands (two in the Basque region, one in France and one in Madrid), and strong logistical and technical capabilities to make explosives and car bombs.

//What Can the GOS Do?//

14. (SBU) Zapatero has promised that Spanish security forces will maintain and even increase their already high level of preparedness (along with French counterparts in southern France) against an ETA attack. On June 7, French police arrested three ETA members in the town of Arbes, including one who was on the Spanish Civil Guard's most wanted list and who allegedly was the leader of ETA's recruiting apparatus. In addition to stepped up law enforcement efforts, one of the first tangible GOS actions taken in the wake of the ETA announcement was the remanding back to prison of convicted ETA assassin Inaki De Juana Chaos to fulfill the remainder of his three-year sentence. De Juana Chaos (as described in REFTEL B) completed an 18-year sentence for 25 murders but went on a hunger strike to protest being in jail on lesser charges of threatening public officials. De Juana Chaos was close to death three months ago when the Spanish government allowed him to leave jail for a hospital near his hometown in the Basque region to receive treatment. In recent weeks De Juana Chaos has been pictured taking strolls around the neighborhood near the hospital (and some would say virtually thumbing his nose at Spanish authorities), leading Spaniards to question how close to death he really was. After the ETA announcement, Interior Minister Rubalcaba said that "in no case" would he be allowed to serve the remainder of his sentence at home (as Rubalcaba had previously considered),

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and as of June 7 De Juana Chaos was on his way back to a jail in Aranjuez. This decision appears to represent a drastic change in attitude on the part of the GOS since last March. Another possible action could include the jailing of Arnaldo Otegi, leader of ETA's political wing Batasuna, if the Spanish Supreme Court upholds a sentence handed to Otegi for his comments praising terrorism. Zapatero had previously looked the other way when the Spanish Prosecutors office withdrew the charges against Otegi.

//How Might the Spanish React?//

15. (SBU) Many in Spain believe that Zapatero lost face in giving in to ETA on issues such as De Juana Chaos, allowing a political party with ties to Batasuna to participate in the May 27 municipal elections, and not cracking down harder after ETA killed two individuals in a December 30 bombing at Madrid's Barajas Airport. Even some of the PSOE's own supporters have criticized Zapatero's vacillation in the wake of the December 30 bombing and some believe this fact contributed to the low voter turnout in the recent local and regional elections. Spanish observers are saying that Zapatero offered major concessions to ETA yet still achieved the same thing as previous Spanish presidents: nothing. reaction of PP leader Rajoy ("I told you so!") is to be expected as his party's opposition over the past two years has been based mostly on a "Just Say No" policy of confrontation with the Zapatero government, with the ETA issue reigning supreme. Rajoy will have to walk a fine line between legitimate policy disagreement with the government, and being seen as using the issue of terrorism to gain political points. Zapatero is likely to make the case that he made a genuine good faith attempt to achieve lasting peace in the Basque region, but that ETA rejected the initiative and now Spain has no choice but to close ranks and take the fight to ETA. If Zapatero takes this approach, the PP will probably need to get on board or risk losing support among

moderate Spanish voters. In any case, the PP will support tough measures against the terrorist group. Some commentators have speculated that the end of the ETA peace process means that Zapatero should call for early elections this fall to give Spanish voters the chance to influence GOS CT policy, but thus far Zapatero has said that elections will still take place as scheduled in March 2008. In order to win, Zapatero will have to be seen taking nothing but a strong, tough stand against the terrorist group from now until national elections.

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